A0400-1

The Aluminum Situation

ECONOMICS AND STATISTICS — JANUARY 1990

ALUMINUM SHIPMENTS DECLINE 1.3 PERCENT

Total industry net shipments for eleven months of 1989, reported at 14,945 million pounds, were down 1.3 percent from the eleven month 1988 total of 15,137 million pounds.

Domestic shipments of aluminum ingot and milll products were reported at 12,787 million pounds, a decline of 5.9 percent from the 1988 total of 13,596 million pounds.

Exports of ingot and mill products continue strong in 1989 at 2,158 million pounds, an increase of 40.0 percent from eleven months of 1988. Imports decreased 8.1 percent for the same period.

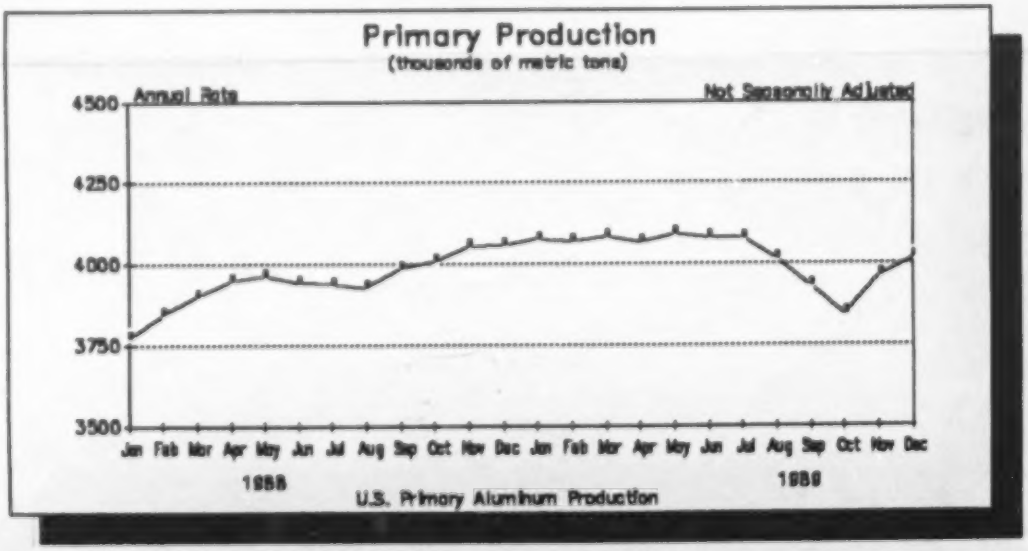
THRU NOVEMBER 1989

	1989 11 Mos.	1988 11 Mos.	% Change
Mill Products	12,100	12,200	-0.8
Ingot	2,845	2,937	-3.1
Total	14,945	15,137	-1.3
Less Exports	2,158	1,541	40.0
Domestic Total	12,787	13,596	-5.9

Figures in Millions of Pounds
Source: Bureau of the Census
U.S. Department of Commerce

1989 U.S. PRIMARY PRODUCTION ESTIMATED AT 4,024,753 METRIC TONS

U.S. primary aluminum production averaged an estimated 11,008 metric tons daily during December 1989. This compares with an average of 11,081 metric tons a day in December 1988 and 10,856 metric tons a day in November 1989. The annual rate of production in December 1989 was 4,017,779 metric tons compared with 4,055,634 metric tons in December 1988 and 3,962,489 metric tons in November 1989. Estimated production in December 1989 was 341,236 metric tons. Total 1989 production has been estimated at 4,024,753 metric tons, up 2.0 percent from the previous year.

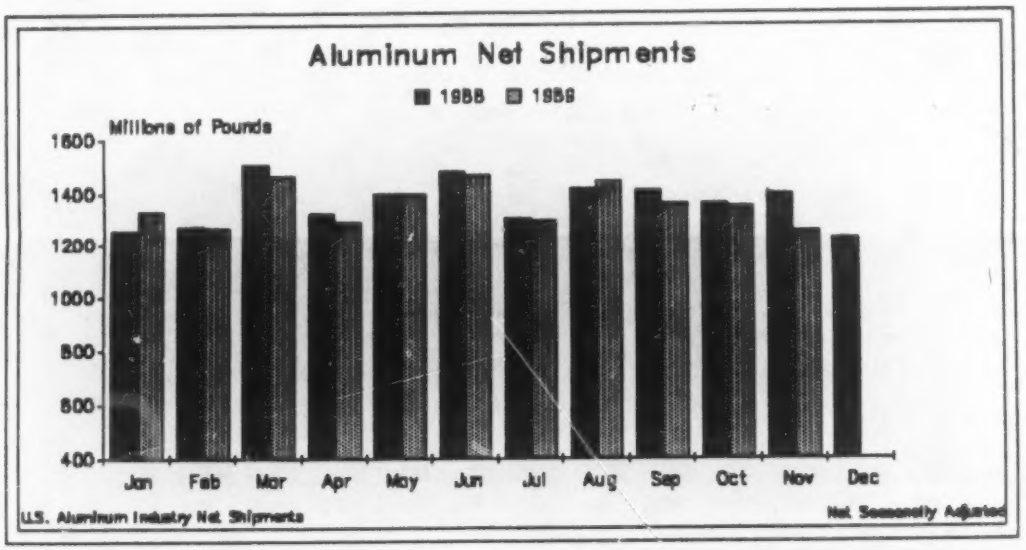


This report contains information reported to the Association by the domestic producers, which is aggregated by the Association. While the Association believes that its statistical procedures and methods are reliable, it does not warrant the accuracy or completeness of the data. All data contained herein are subject to revision.

The Aluminum Association
900 19th Street, N.W. Washington, D.C. 20006
Phone (202) 862-5100

INDUSTRY NET SHIPMENTS DECLINE 1.3 PERCENT

Total industry net shipments for eleven months of 1989, reported at 14,945 million pounds, were down 1.3 percent from the eleven month 1988 total of 15,137 million pounds. Domestic shipments of 12,787 million pounds decreased 5.9 percent from the eleven month 1988 total of 13,596 million pounds.

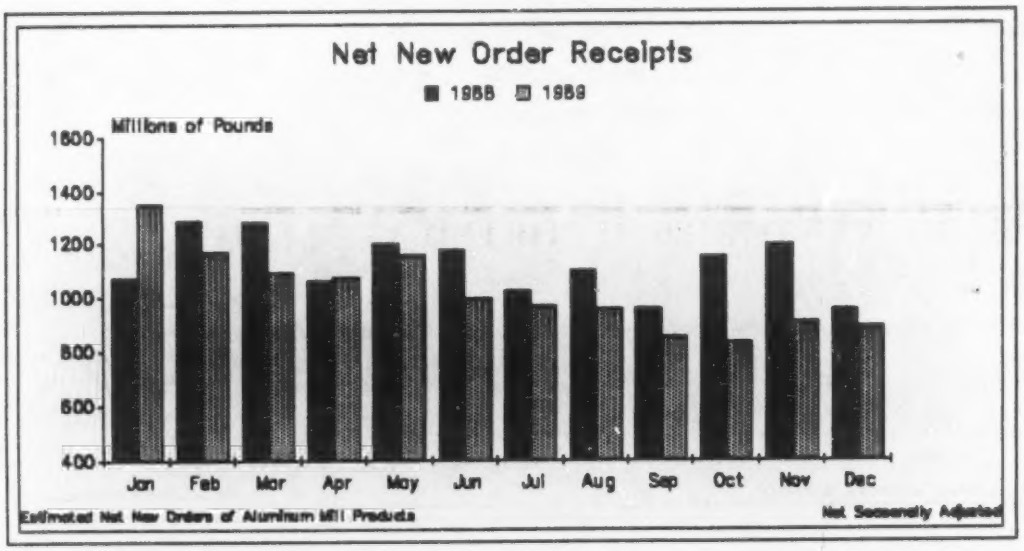


NET SHIPMENTS (Millions of Pounds)	1989 November	1988 November	1989 11 Mos.	1988 11 Mos.	% Change 1989 vs 1988
Sheet	515.2	553.2	6,791.6	6,541.5	3.8
Plate	23.7	23.8	290.3	276.1	5.1
Foil	72.9	74.7	826.8	877.0	-5.7
Rod,Bar & Wire	18.7	33.4	226.8	282.6	-19.8
Elec. Conductor	50.4	56.7	641.6	609.1	5.3
Extruded Shapes,Tube	216.8	216.2	2,504.3	2,539.7	-1.4
Powder & Paste	7.3	8.6	86.3	81.7	5.6
Forgings & Impacts	12.4	12.2	146.3	153.6	-4.7
Net Imports of Mill Products (Total) (a)	49.4	71.3	585.9	838.6	-30.1
Total Mill Products	966.9	1,050.1	12,100.0	12,199.9	-0.8
Ingot	290.7	342.7	2,844.9	2,937.3	-3.1
TOTAL INDUSTRY SHIPMENTS	1,257.6	1,392.8	14,944.9	15,137.2	-1.3
Exports	241.7	165.7	2,157.6	1,541.4	40.0
TOTAL DOMESTIC SHIPMENTS	1,015.9	1,227.1	12,787.3	13,595.8	-5.9

Source: Bureau of the Census, U.S. Department of Commerce - CIR M33-D
Note: Cummulative data includes revisions for previous periods
(a) Not included in product data above.

NET NEW ORDER RECEIPTS DOWN 8.1 PERCENT

Estimated net new order receipts of aluminum mill products for eleven months of 1989, totaling 12,270 million pounds, declined 8.1 percent from a eleven month 1988 total of 13,353 million pounds. December order receipts of 892 million pounds decreased 1.9 percent from a November 1989 figure of 910 million pounds.



ORDER RECEIPTS (Millions of Pounds)	1989 December	1988 December	1989 12 Mos.	1988 12 Mos.	% Change 1989 vs 1988
Sheet & Plate, Other	282.4	329.3	3,994.7	4,432.7	-9.9
Can Stock (a)	258.4	257.1	3,566.6	3,830.0	-6.9
Foil	79.8	76.7	1,018.0	1,101.0	-7.5
Bar, Rod & Wire	30.4	35.2	405.6	455.3	-10.9
Electrical Conductor	53.9	55.5	652.4	776.0	-15.9
Extruded Shapes & Tube	171.2	182.4	2,375.5	2,481.1	-4.3
Powder & Paste	6.5	8.5	107.8	125.7	-14.2
Forgings & Impacts	9.6	10.4	149.6	151.6	-1.3
Total Mill Products	892.2	955.1	12,270.2	13,353.4	-8.1

Source: The Aluminum Association estimates total industry orders (including orders for imports) based on weekly reports by members of new orders (less cancellations) received. The Association expands these data to total industry utilizing an expansion ratio that attempts to reflect the relationship of reporters to the total industry. Weekly data are available on a subscription basis.
Note: Cummulative data includes revisions for previous periods.
(a) Domestic only. Orders for exports of Can Stock are included in Sheet and Plate, Other.

PRODUCER INVENTORIES DOWN 182 MILLION POUNDS

Producer inventories decreased in November 1989 to a reported total of 3,976 million pounds. This represents a 182 million pound decline from the October 1989 level of 4,158 million pounds.

Month-End Aluminum Producer Inventories
(Millions of Pounds)

	Total	Ingot	Scrap	All Other
September	4,214	1,499	649	2,066
October	4,158	1,458	669	2,031
November	3,976	1,411	644	1,921

Source: Bureau of the Census, U.S. Department of Commerce.

CUSTOMER INVENTORIES REPORTED AT 32.1 DAYS

Respondents to the Association's Customer Inventory Survey reported that their Average Days Inventory as of November 30, 1989 was 32.1, down 6.4 percent from inventories reported at the end of October 1989.

Month-End Aluminum Customer Inventories
(Average Number of Days)

September	33.8
October	34.3
November	32.1

Source: Aluminum Association - Customer Inventory Position Survey

---

U.S. IMPORTS & EXPORTS (Millions of Pounds)		1989* November	1988 November	1989* 11 Mos.	1988 11 Mos.	% Change 1989 vs 1988
Imports	Mill Products	70.6	72.8	877.0	901.4	-2.7
	Ingot	118.8	180.2	1,921.2	2,144.1	-10.4
	Total	189.4	253.1	2,798.2	3,045.4	-8.1
	Scrap (+ dross)	38.4	35.1	455.2	425.6	7.0
	Grand Total	227.8	288.2	3,253.4	3,471.0	-6.3
Exports	Mill Products	80.8	60.8	1,023.7	773.6	32.3
	Ingot	160.9	104.9	1,133.9	768.8	47.5
	Total	241.7	165.7	2,157.6	1,542.4	39.9
	Scrap	114.8	95.8	1,181.1	950.9	24.2
	Grand Total	356.5	261.5	3,338.7	2,493.4	33.9
Net Imports		-128.7	26.7	-85.3	977.6	-108.7

Source: Bureau of the Census, U.S. Department of Commerce.
(*) Data may not be comparable to previous years due to changes in trade classifications effective January 1, 1989